## CALIFORNIA COASTAL COMMISSION

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## **W16b**

## **ADDENDUM**

May 10, 2022

**To:** Commissioners and Interested Persons

From: California Coastal Commission

San Diego Staff

Subject: Addendum to Item W16b, Del Mar LCP Amendment No. LCP-6-DMR-

21-0035-1 (5<sup>th</sup> Cycle Housing Element), for the Commission Meeting of

May 11-13, 2022

The purpose of this addendum is to make several clarifications to the staff report concerning the Watermark parcels as well as make several minor corrections. Staff recommends the following changes be made to the above-referenced staff report. Deletions shall be marked by strikethrough and additions shall be underlined:

1. On Page 22 of the staff report, the second paragraph shall be revised as follows:

Because the development standards for the project have been "locked in," the Watermark project is being processed entirely separately from the proposed actions and development standards associated with this LCP amendment. However, the City still has a legal obligation to fulfill Program 2G of the 5<sup>th</sup> Cycle Housing Element and to rezone these two sites utilizing the proposed Housing Element Implementation Program Overlay Zone (described below), which will facilitate the provision of by-right housing in other areas in the future. The City of Del Mar approved a coastal development permit for the Watermark project on April 19<sup>th</sup> and the project was appealed to the Commission on Monday, May 9<sup>th</sup>. As discussed in detail below under the section "Public Comment on Watermark," the Watermark project does allow for a greater maximum density than what is currently approved for the existing zoning but which would be allowable under the new Housing Element Implementation Program Overlay. The Overlay itself does not require approval of any particular project. Commission staff is currently reviewing the appeal.

On Page 31 of the staff report, the second sentence under the "Floodplain" subsection will be modified as follows: The two parcels where the subject overlay will apply are designated and zoned as North Commercial. were recently redesignated and rezoned as North Commercial Land Use and Zone.

3. On Page 39 of the staff report, following the section titled "Corrections," a new section will be added as follows:

## Public Comment on Watermark

A number of letters from the public have been received noting concerns that a density of 20-25 dwelling units per acre is inappropriate for the site. The letter identifies several concerns with applying the Housing Overlay to the two vacant Watermark parcels, among them that the Watermark housing project approved by the City would impact wetlands; that the development would be located in a floodzone; and that insufficient parking for the project would impact the public using nearby trails.

In analyzing these claims, it's important to note that the proposed Overlay does not require or approve any specific project; rather, it allows for the expedited processing of housing projects that meet the development and mitigation standards. The Overlay would allow for a residential density of up to 25 units for projects that meet the requirements of the Overlay, which is higher than the density allowed by the North Commercial zoning. However, it would not lessen or avoid any of the requirements of the existing LCP. As discussed herein, the provisions of the Overlay have been designed to identify minimum standards and requirements that multi-dwelling unit projects must comply with **in addition to** the existing requirements of the City's Municipal Code and certified LCP, such that the project can be reviewed ministerially.

The applicant for the Watermark project chose to develop the site under Senate Bill 330 which "locked in" development standards to their application submittal date of November 2020. The subject amendment was not explicitly crafted with the Watermark project in mind, nor has the Commission reviewed the subject amendment with any particular project in mind. Instead, the provisions have been reviewed for conformance with the LUP to make sure that any future projects located within the Overlay, wherever it might be applied in the future, are required to avoid or mitigate for any impacts to coastal resources.

The major concerns of the letter received are directed more at the design of the Watermark project itself rather than the provisions of the Overlay. Since the coastal development permit approved by the City for the Watermark project has been appealed to the Commission, it will be evaluated by staff to determine if it meets the requirements of the LCP and the Coastal Act, as required by state housing law. It is worth noting that while the specific components of the Watermark project will be reviewed through the appeal process, protections for the types of coastal resources being identified by the commentors are addressed by the amendment as modified. Because the amendment would allow for high density housing in an area known to be sensitive to flooding and sea level rise,

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as was done for the NC Zone under LCP-6-DMR-20-0079-3, and as required by Suggested Modifications #9 and #34, applicants will be required to design for sea level rise over the lifetime of the proposed structure and include notifications for all occupants that the building is located in a vulnerable area, in addition to other applicable noticing requirements based on the outcome of permit review.

Suggested Modification #17 requires the Coastal Commission approved any reduction in wetland buffers. All development under the Overlay must adhere to the parking requirements of the certified LCP. Other project specific objections to the Watermark project, such as accommodating upland migration of wetlands and height, will be reviewed for conformance with the certified LCP through the appeal process; there is nothing in the subject amendment that lessens or avoids protection for sensitive resources or community character.